

**Testimony  
Of  
UIL Holdings Corporation**

**Re:  
HB 5407 – AN ACT CONCERNING PERFORMANCE STANDARDS FOR PUBLIC  
UTILITIES**

**Committee on Planning & Development**

**Legislative Office Building  
March 9, 2012**

Good afternoon, Senator Cassano, Representative Gentile and members of the Committee on Planning & Development. My name is John Prete and I am Senior Vice President - Electric Transmission and Distribution of The United Illuminating Company. I'm here today to provide testimony on **House Bill 5407, AN ACT CONCERNING PERFORMANCE STANDARDS FOR PUBLIC UTILITIES.**

The impacts that two storms had on the state of Connecticut during the summer and fall of 2011 have been well documented. As you know, there are many components to preparedness and a safe storm response. As we testified to both the Legislature and the Governor's Two Storm panel after the storms, UI's storm restoration was better than the national average for similar storms, comparing our restoration to data maintained by the US Department of Energy. It is embodied in UI's culture to work to continue to improve, to seek out and listen to our constituents and take to heart criticisms and strive to meet and exceed expectations. Almost immediately some of the lessons we learned during Tropical Storm Irene were put into place and used during the historic October winter storm. These improvements include tighter coordination with municipalities to support the opening of roads, utilization of special reports from our Outage Management System to provide specific street level restoration plans to town officials,

defining a specific Operations Liaison role to close communications gaps between the Operations function and the Municipal Liaison function, and the completion and filing of UI's newest Emergency Preparedness Plan, which is based on the National Incident Management System (NIMS). We have instituted improvements to our work processes regarding emergency preparedness and have worked to enhance communications between the Company and our municipal partners and the State Division of Emergency Management and Homeland Security UI has also put in place dedicated programs for both short- and long-term improvements to support preparedness, communications and response.

The Company agrees that the Department of Energy and Environmental Protection, specifically the Public Utilities Regulatory Agency, is the appropriate entity, with the expertise, experience and procedures in place to determine, measure and ensure adherence to standards designed to evaluate a utility's performance for both pre-storm planning and post-storm response.

Specifically, we believe performance standards must be fair and based on actual empirical data and achievable based on actual conditions associated with the severity and magnitude of storms and their damage. This approach should also be utility-specific, based on the Company's geography and characteristics of its service territory.

It is, however, important to recognize that UI already operates within guidelines and standards – namely its Emergency Preparedness Plan. The Plan sets forth both restoration performance that the Company strives for in relation to the magnitude of the weather event as well as the functions and activities that Company personnel execute in order to plan for and respond to events based upon their severity. Activities undertaken pursuant to the Plan ensure proper planning, effective

communication, safe response as well as continuous plan improvement. The Plan properly sets forth the standards pursuant to which UI should be measured.

The Plan already incorporates many years of experience and lessons learned. Because it incorporates all of the challenges surrounding Tropical Storm Irene and the October snow storm, it represents the appropriate standard to employ going forward. It is a “living document” that can, from here, incorporate desired future improvements including in the following areas: UI’s ability to (i) extend the restoration prediction horizon, (ii) manage more resources, (iii) obtain more resources, and (iv) prevent damage. Once these desired improvements are obtained, the Plan can be revised to reflect new and refined standards.

In conclusion, a fair and effective way to evaluate a utility’s performance during major storms is its execution of its PURA-approved Emergency Preparedness Plan. Measuring the Company this way provides the appropriate basis pursuant to which performance should be evaluated.

Thank you for the opportunity to present this testimony. I would be happy to answer any questions you may have.